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20 November 1972

Don:

1. Attached is a summary chart on the 14 Panel reports. The value judgments expressed here and in the synopses already sent to [] and mine. Following are some reflections on the Panel reports, the role of the TCC, R&D Board and the Executive Director's needs from our perspective.

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2. We are obliged to present the R&D Board and ExDir with new initiatives, and this can be done within some rather definite limits. There are also management (coordination and policy direction) questions which should be brought to the attention of top management.

3. The Panel reports, with a few exceptions, demand or imply a need for increased funding levels, and in a couple of cases, more personnel. In our opinion, only a few proposals merit serious consideration at this point in terms of FY 1973 unfunded, hard requirements. Others, with more Panel work, might introduce significant new departures for FY 1974 and beyond. Before commenting on those specific proposals and problems which appear worthy of immediate TCC consideration, a pragmatic point.

4. The signals we are getting from OMB indicate a possible cut in Agency funds in FY 1973, and without question a denial of some or all requested increases in funds in FY 1974 coupled with a definite cut in personnel. In this grim framework, the TCC and R&D Board should seriously consider advice to the ExDir and DCI on R&D program priorities against the contingency of having to cut or minimize whole program areas in order to accommodate new, high priority initiatives. *... v. l. ... ?*

5. On the substantive front, it's our view that only a few substantial cases have been made for additional FY 1973 and/or FY 1974 resources in terms of your directions to the Panels. Others reflect inter-locking problems. These are:

a. Signal Processing: 7 concrete projects which the Panel feels are not only urgent, but which can be documented in detail in terms of implementation within weeks.

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Approved For Release 2005/12/25 : CIA-RDP74B00535R000100030004-7

Next 4 Page(s) In Document Exempt

Approved For Release 2005/12/25 : CIA-RDP74B00535R000100030004-7